

January 5, 2024

At the Special Called Meeting of the Mayor and Board of Aldermen/women of the Town of Canton held at 85 Summer Street, Canton NC, January 5, 2024, at 9:00 am with Mayor Smathers and Aldermen/women Mull, Hamlett, Proctor and Shepard present, the following proceedings were held.

A. Call to Order

Mayor Smathers called the meeting to order at 9:05 am.

B. Roll Call

Mayor Smathers stated that the Manager, Assistant Manager, and Finance Officer were present.

C. Work Session

Manager Scheuer opened the discussion by thanking the Board for their time, also allowing the Board to decide if they heard from Staff first or if they wanted to give their vision of what the next budget year would look like. Mayor Smathers called on Mayor Pro-Tem Mull for comment. Alderwoman Mull stated she would reserve her thoughts until hearing from staff. Mayor Smathers called on Alderman Hamlett for his input. Alderman Hamlett stated that he had concerns with sustainability with budgeting cuts stating he was hopeful that residents would still be able to receive the services that they were accustomed to and deserved. Alderman Hamlett stated that he also wanted to see the Labor Day Festival stay the same being it was Canton's premium event. Alderman Hamlett stated that it was a good message that Canton was still in business while providing a great event for visitors as well as the community. Mayor Smathers called on Alderwoman Proctor for comment. Alderwoman Proctor stated that sustainability was number one for her, stating that even though they might push for things she expected staff to keep them in check. Alderwoman Proctor asked that she be provided numbers on items to be discussed and voted on several days in advance. Alderwoman Proctor commented that Recreation should continue but within our budgetary restraints and phasing be implemented on larger items such as the Armory and /Colonial projects. Alderwoman Proctor stated that it was great to see the relationships with different partners making events and projects come to fruition for the community. Mayor Smathers called on Alderman Shepard for comment. Alderman Shepard stated that taking care of staff was a priority for him and finishing projects that were in the queue and not taking on any new projects.

Alderwoman Mull commented that she appreciated the administration working hard to do a lot and being creative making things work with what we have. Mayor Smathers commented that he felt as if we were in the eye of the storm, and he trusted the trinity of Nick, Lisa, and Natalie to watch the numbers and allow them to guide us on how we proceed. Mayor Smathers stated that it was up to this board to get it right because the decision being made this year would impact on the next century. Manager Scheuer thanked Mayor Smathers and the Board for their confidence and kind words. Manager Schuer commented at this time there were a lot of unknowns and as the financial data started to come in with taxes, and sales tax, it would help to guide the budgetary process soon. Manager Scheuer commented that last year the Town had a lot of recovery but this year it was recovery along with revenue loss. Manager Scheuer stated one thing that would help is Haywood County would be implementing property reappraisal. Manager Scheuer stated that we have great people working for the Town and taking care of them was a priority. Manager Scheuer reported that the Rhoda Street project was underway with easements then the bid process would begin with the start of the project beginning in February. Manager Scheuer reported that the playground equipment finally came in and was in storage to be ready for the project to start in March. Manager Scheuer stated that projects would be prioritized, phased in by the venues that were revenue generating. Manager Scheuer called on Assistant Manager Stinnett to provide information on Recreation revenue options and Labor Day options. Assistant Manager Stinnett recommended that the Town operate the concession stands with prepackaged food at the IP Complex during the Little League season as well as at the Champion Credit Union Aquatics Center to help generate revenue. Assistant Stinnett also suggested that the fee structure for the IP complex be revisited with the option to eliminate the free usage. Assistant Stinnett stated that she did not suggest that the fees be too impactful, but a small amount would help offset the staffing fees. Assistant Stinnett also suggested the Little League organization be approached with help with some minor maintenance or a nominal amount of lining supplies. Assistant Stinnett stated that a previous meeting with the Little League representatives was a positive meeting, and they were amenable to these requests. After a brief discussion regarding allowing the Canton Middle School and Pisgah High School free usage during rainy days which would be minimal and the possible implementation of fees for food trucks to operate at the pool and Pickin' in the Park, the Board gave consensus to work on the new fee structure for the upcoming budget year. Assistant Manager Stinnett proceeded into the Labor Day Festival discussion regarding how many days, type of entertainment, and fee structure. Assistant Manager Stinnett

provided 5 options (see attached) but suggested the Board consider the option to lower the entertainment budget and still provide a two-day event or the setup and budget as in 2023. Assistant Manager Stinnett stated that she was not opposed to providing Monday for free if the Board wanted to proceed with that option, but she would need to know so she could prepare the ticketed day's lineup strategically. Assistant Stinnett explained to the Board that several items to consider would be if a more local entertainment line-up would lessen the costs for hotel rooms and green room services, however she could not project the attendance. Assistant Stinnett stated that she did not have a preference and it was up to the Board to decide as there were pros and cons to either option but wanted to provide options for consideration. Mayor Smathers stated that he was in favor of the two-day event and would trust the Assistant Manager for the entertainment decision. Alderman Hamlett stated that the Labor /day festival was a "mainstay" of Canton's culture since 1906 and felt that it was a demonstration of resilience to continue offering the festival. Alderwoman Mull stated that she wanted the two-day event all other items were at the discretion of Assistant Stinnett. Alderwoman Proctor stated that she wanted to stay with the two-day event. Alderman Shepard likes the idea of a two-day event and the possibility of Monday for free but is ok with whatever is decided. Alderman Shepard did like the set-up and all the kid activities that were added the past year. Consensus was to have a two-day event charging for at least Sunday and allow the Assistant Manager to work out the other details.

Finance Officer Natalie Walker discussed the issue of cutting out the façade grant program this budget year due to most businesses being full at this point and most of the facades having been completed. The Board came to consensus on this removal from the budget.

Finance Officer Natalie Walker reported to the Board that she hoped to be able to do somewhat of a COLA raise for all employees but also suggested that the Police Department get up to an eight percent raise to get them close to the average salaries of Towns our size. Ms. Walker stated that a portion possibly could come from this year's budget and a portion for next year's budget but to keep from losing officers we had to keep competitive salaries. Ms. Walker also commented that everyone else was in line with other municipal salaries. The Board all agreed that a COLA for all employees and getting the P.D. where they needed to be was very important to them if possible.

Finance Officer Walker informed the Board that the water rates would increase again this year very slightly with the scale that was provided to allow us to be eligible for grants in the future.

Finance Officer Walker approached the Board with the Motor Vehicle Tax of \$30.00 again this year reporting that Powell Bill had been expended as requested but the need for paving was huge throughout town and this money would be used for paving projects. All members agreed to the tax to help with much needed paving.

Lastly, Finance Officer Walker asked the Board to cut Community Promotions and just set aside a minimal amount for advertising, which is what most of the requests were for to date.

D. Closed Session: Pursuant to N.C.G.S 143-318.11 (a)(4)

Alderwoman Mull made a motion to enter closed session. Pursuant to NCGS 143-318.11 (a)(4). After a lengthy discussion, Alderwoman Mull made a motion to enter open session at 1:18pm. Alderman Shepard seconded the motion. Motion carried.

E. New Business

1. Resolution: Adopting the Water Shortage Response Plan and the Water Conservation Plan

Manager Scheuer presented a resolution adopting the water shortage and water conservation plan. Alderwoman Mull made a motion to approve the resolution as presented. Alderman Hamlett seconded the motion. Motion carried.

2. Travel Policy

Finance Officer Natalie Walker presented the Board with a Travel Policy for all employees. Ms. Walker reminded the Board that this was one of the suggestions the auditor thought should be in place. Alderwoman Mull made a motion to approve the travel policy as presented. Alderman Hamlett seconded the motion. Motion carried.

3. Pigeon River Outfitters Request

Manager Scheuer made the Board aware that he had been approached by Pigeon River Outfitters to lease the small strip of property at the intersection of Penland and Main for his tubing business. Alderwoman Mull made a motion to approve a lease agreement with a nominal fee with Pigeon River Outfitters for the lease of the strip of

property at the intersection of Main and Penland Street. Alderman Shepard seconded the motion. Motion carried.

4. Budget Amendments

Finance Officer Natalie Walker presented the Board with a budget amendment for a wellness program for the employees. Ms. Walker made the Board aware that this was a Wellness Grant that Assistant Stinnett applied for and received through the League of Municipalities to offer training for the employees and Department Heads. Alderwoman Mull made a motion to approve the budget amendment as presented. Alderwoman Proctor seconded the motion. Motion carried.

Manager Scheuer introduced Byron Hickox, Planning and Recovery Officer, to the Board.

F. Adjournment

The next meeting will be on Friday, January 11, 2024, at 6:00 p.m. at 85 Summer Street, Canton, NC 28716. There being no additional business, the meeting adjourned at 1:33pm.

Lisa Stinnett, Town Clerk